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NSC BRIEFING

13 October 1954

INDOCHINA

I. In South Vietnam, Chief of Staff, General Hinh, continues threaten government, although some signs he losing ground.

A. Threatened coup 11 Oct., but did not follow through. Again reported moving troops into Saigon for 13 Oct. coup. No news to date, but even if postponed, still chance that military hotheads <sup>May</sup> try coup any time.

B. French insist that use of expeditionary corps against such coup attempt would cause massacre of 6,500 French cadres in Vietnamese army.

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C. French view of solution is  
for Premier to bow to Army,  
give leaders a place in  
government.

II. Only hopeful note is possibility that  
anti-government coalition may be  
breaking up.

A. Binh Xuyen (gangster organi-  
zation) willing ditch Chief  
of Staff, make "separate  
peace" with government.

B. In exchange, want police  
force (which they control)  
made into Ministry; also  
want control of Youth  
Ministry and want Army  
excluded from government.

C. French urging Premier meet  
these demands: he inclined  
to accept.

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D. If done, would smooth Premier's relations with Bao Dai, also isolate troublesome Chief of Staff, but might make Premier mere figurehead.

III. Although officially supporting Premier, French still seek government concessions to armed cliques which lack national repute.

A. Ely continues to insist that Premier make concessions to Army.

B. Premier's choice for Interior Minister, Phan Huy Quat, opposed by French partly because he is northerner.

C. Use of Cochinchina war lords in major government posts lessens national appeal of "Free Vietnam."

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- D. Some French still seeking discredit pro-Premier policy.
- E. French press service continues anti-Premier.

IV. Elsewhere in Indochina, developments generally helpful to Communists.

- A. Viet Minh occupation of Hanoi (9 October) smooth. Popular demonstration reflects mixture organization and genuine enthusiasm, although Viet Minh making no effort disguise Communist affiliation.
- B. In Laos, wobbly government preventing vigorous political campaign against Communists.
- C. In Cambodia, government undergoing attack of "Nehru-itis," partly as result neutralist advice of French, British and Indians

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